



## Discussion of Individual Home Examples ... HB 666

DATE 3-25-09 10  
HB 666

The following examples are intended to show how individual taxpayers are impacted by the various mitigation bills. These examples are intended to illustrate how effective each bill is at mitigating reappraisal at the individual home level, and are used in the broader analysis of each proposal.

There is a large range of homes in the state of Montana, both in terms of values and the change in value due to reappraisal. Each value of home has a large range of taxpayers, so it is impossible to choose one example that represents the typical taxpayer. Therefore, this analysis uses statistical benchmarks such as median values and percentage deciles to represent a broad range of typical Montana taxpayer illustrations.

The first example shows the average value home and the average income. This is just the sum of all the home values divided by the number of homes. The average income is the sum of all reported income divided by the number of individual income tax returns.

### **Percentile of Home Value, the Median Income**

The next five examples were chosen based on the concept of percentiles. The 10<sup>th</sup> percentile represents the data point where 10% of the observations are below that point and 90% of the observations are above that point. To define the range of home values used as examples the 10<sup>th</sup> percentile, the 25<sup>th</sup> percentile, the 50<sup>th</sup> percentile (or median), the 75<sup>th</sup> percentile and the 90<sup>th</sup> percentile were used. This represents the distribution of value of homes that are in the state. In each of these homes, there is a range of taxpayers. The first five examples use the median income for homeowners whose homes are worth within \$1,000 of that percentile value. This shows how the taxpayer with income at the midpoint for each value home is treated under each proposal.

### **Percentile of Home Value, 10<sup>th</sup> Percentile of Income**

The second 5 examples uses the same values for property value, but shows the homeowner at the 10<sup>th</sup> percentile of income. This means that 10% of the people in each value of home reported less than this level of income. It is these taxpayers that will benefit most from a circuit breaker.

### **Change in Value Due to Reappraisal**

The next 6 examples reflect the distribution in the change in home value due to reappraisal. Brackets were defined based on the change in value percentile.

The first group of homes represents properties that had little or no change in value due to reappraisal. The percent change in value due to reappraisal then increases in each subsequent bracket. Once these brackets were defined, the median value home in each bracket was used as the example home for that bracket. The income for these examples is the median reported income for taxpayers that own a home that had a change in value in that same bracket. The homes that change less than the statewide average will see the largest benefit from a reduction the tax rate and an increase in the exemption level.

### **The Other Examples**

The rest of the examples are examples that were presented to the Joint Select Committee on Reappraisal. They include the median value home from a recreation county, and the income is the median income for homeowners in that county. There are two examples of high value homes and then also two examples of businesses that are class 4 commercial property. The business examples also show the property taxes paid for a business with class 8 business equipment.

These examples are intended to be representative of property taxpayers across the state. While the home values and incomes were chosen based on statistical principles, they are hypothetical situations. The property tax paid will vary depending on local mills and fees, and income may change because of a change in the taxpayer's economic situation.

**HB 666 Individual Home Examples**

<b>Assumptions:</b>	Homestead Exemption = Decreasing to 10% Decreasing to 6%	Taxable Value Exemption: None
Note: HB 666 does not have a taxable value exemption, but these lines are kept in the examples for comparison to other bills.		

<b>Example of an Average Value Home</b>					
MV Before Reappraisal	\$116,900				
MV After Reappraisal	\$178,920				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$116,900	\$132,405	\$147,910	\$163,415	\$178,920
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$39,746	\$45,018	\$44,373	\$32,683	\$17,892
Taxable Market Value	\$77,154	\$87,387	\$103,537	\$130,732	\$161,028
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$2,322	\$2,622	\$3,106	\$3,922	\$4,831
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$2,322	\$2,622	\$3,106	\$3,922	\$4,831
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>					
<b>Breaker Credit</b>	\$1,250	\$1,326	\$1,439	\$1,600	\$1,735
2009 Income (FAGI)	\$74,759	\$74,759	\$74,759	\$74,759	\$74,759
% of Income Paid Before CB	1.67%	1.77%	1.92%	2.14%	2.32%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	\$1,250	\$1,326	\$1,439	\$1,600	\$1,735
% of Income Paid After CB	1.67%	1.77%	1.92%	2.14%	2.32%

**Percentile of Home at Median Income**

<b>Example of a Home at the 10th Percentile of Value, Income at the Median Level for this Value Home</b>					
MV Before Reappraisal	\$15,890				
MV After Reappraisal	\$19,113				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$15,890	\$16,696	\$17,502	\$18,307	\$19,113
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$5,403	\$5,677	\$5,250	\$3,661	\$1,911
Taxable Market Value	\$10,487	\$11,019	\$12,251	\$14,646	\$17,202
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$316	\$331	\$368	\$439	\$516
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$316	\$331	\$368	\$439	\$516
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>					
<b>Breaker Credit</b>	\$170	\$167	\$170	\$179	\$185
2009 Income (FAGI)	\$32,180	\$32,180	\$32,180	\$32,180	\$32,180
% of Income Paid Before CB	0.53%	0.52%	0.53%	0.56%	0.58%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	\$170	\$167	\$170	\$179	\$185
% of Income Paid After CB	0.53%	0.52%	0.53%	0.56%	0.58%

<b>Example of a Home at the 25th Percentile of Value, Income at the Median Level for this Value Home</b>					
MV Before Reappraisal	\$51,600				
MV After Reappraisal	\$75,686				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$51,600	\$57,622	\$63,643	\$69,665	\$75,686
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$17,544	\$19,591	\$19,093	\$13,933	\$7,569
Taxable Market Value	\$34,056	\$38,030	\$44,550	\$55,732	\$68,117
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$1,025	\$1,141	\$1,337	\$1,672	\$2,044
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$1,025	\$1,141	\$1,337	\$1,672	\$2,044
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>					
<b>Breaker Credit</b>	\$552	\$577	\$619	\$682	\$734
2009 Income (FAGI)	\$40,592	\$40,592	\$40,592	\$40,592	\$40,592
% of Income Paid Before CB	1.36%	1.42%	1.52%	1.68%	1.81%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	\$552	\$577	\$619	\$682	\$734
% of Income Paid After CB	1.36%	1.42%	1.52%	1.68%	1.81%

**Example of the Median (50th Percentile) Value Home, Income at the Median Level for this Value Home**

MV Before Reappraisal	\$98,400				
MV After Reappraisal	\$156,100				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$98,400	\$112,825	\$127,250	\$141,675	\$156,100
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$33,456	\$38,361	\$38,175	\$28,335	\$15,610
Taxable Market Value	\$64,944	\$74,465	\$89,075	\$113,340	\$140,490
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$1,955	\$2,234	\$2,672	\$3,400	\$4,215
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$1,955	\$2,234	\$2,672	\$3,400	\$4,215
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$1,052</b>	<b>\$1,130</b>	<b>\$1,238</b>	<b>\$1,387</b>	<b>\$1,514</b>
2009 Income (FAGI)	\$54,689	\$54,689	\$54,689	\$54,689	\$54,689
% of Income Paid Before CB	1.92%	2.07%	2.26%	2.54%	2.77%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	<b>\$1,052</b>	<b>\$1,130</b>	<b>\$1,238</b>	<b>\$1,387</b>	<b>\$1,514</b>
% of Income Paid After CB	1.92%	2.07%	2.26%	2.54%	2.77%

**Example of a Home at the 75th Percentile of Value, Income at the Median Level for this Value Home**

MV Before Reappraisal	\$148,500				
MV After Reappraisal	\$237,300				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$148,500	\$170,700	\$192,900	\$215,100	\$237,300
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$50,490	\$58,038	\$57,870	\$43,020	\$23,730
Taxable Market Value	\$98,010	\$112,662	\$135,030	\$172,080	\$213,570
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$2,950	\$3,380	\$4,051	\$5,162	\$6,407
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$2,950	\$3,380	\$4,051	\$5,162	\$6,407
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$1,588</b>	<b>\$1,709</b>	<b>\$1,876</b>	<b>\$2,106</b>	<b>\$2,301</b>
2009 Income (FAGI)	\$71,371	\$71,371	\$71,371	\$71,371	\$71,371
% of Income Paid Before CB	2.22%	2.39%	2.63%	2.95%	3.22%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$160
<b>Final Property Tax</b>	<b>\$1,588</b>	<b>\$1,709</b>	<b>\$1,876</b>	<b>\$2,106</b>	<b>\$2,141</b>
% of Income Paid After CB	2.22%	2.39%	2.63%	2.95%	3.00%

**Example of a Home at the 90th Percentile of Value, Income at the Median Level for this Value Home**

MV Before Reappraisal	\$217,600				
MV After Reappraisal	\$344,500				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$217,600	\$249,325	\$281,050	\$312,775	\$344,500
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$73,984	\$84,771	\$84,315	\$62,555	\$34,450
Taxable Market Value	\$143,616	\$164,555	\$196,735	\$250,220	\$310,050
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$4,323	\$4,937	\$5,902	\$7,507	\$9,302
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$4,323	\$4,937	\$5,902	\$7,507	\$9,302
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$2,326</b>	<b>\$2,496</b>	<b>\$2,734</b>	<b>\$3,063</b>	<b>\$3,341</b>
2009 Income (FAGI)	\$89,810	\$89,810	\$89,810	\$89,810	\$89,810
% of Income Paid Before CB	2.59%	2.78%	3.04%	3.41%	3.72%
Circuit Breaker (CB) Credit	\$0	\$0	\$39	\$369	\$0
<b>Final Property Tax</b>	<b>\$2,326</b>	<b>\$2,496</b>	<b>\$2,694</b>	<b>\$2,694</b>	<b>\$3,341</b>
% of Income Paid After CB	2.59%	2.78%	3.00%	3.00%	3.72%

Example of a Home at the 10th Percentile of Value, Income at the 10th Percentile Level for this Value Home					
MV Before Reappraisal	\$15,890				
MV After Reappraisal	\$19,113				
Tax Year	2008	2009	2010	2011	2012
Market Value (MV)	\$15,890	\$16,696	\$17,502	\$18,307	\$19,113
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$5,403	\$5,677	\$5,250	\$3,661	\$1,911
Taxable Market Value	\$10,487	\$11,019	\$12,251	\$14,646	\$17,202
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$316	\$331	\$368	\$439	\$516
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$316	\$331	\$368	\$439	\$516
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>					
<b>Breaker Credit</b>	<b>\$170</b>	<b>\$167</b>	<b>\$170</b>	<b>\$179</b>	<b>\$185</b>
2009 Income (FAGI)	\$7,768	\$7,768	\$7,768	\$7,768	\$7,768
% of Income Paid Before CB	2.19%	2.15%	2.19%	2.31%	2.39%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	<b>\$170</b>	<b>\$167</b>	<b>\$170</b>	<b>\$179</b>	<b>\$185</b>
% of Income Paid After CB	2.19%	2.15%	2.19%	2.31%	2.39%

Example of a Home at the 25th Percentile of Value, Income at the 10th Percentile Level for this Value Home					
MV Before Reappraisal	\$51,600				
MV After Reappraisal	\$75,686				
Tax Year	2008	2009	2010	2011	2012
Market Value (MV)	\$51,600	\$57,622	\$63,643	\$69,665	\$75,686
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$17,544	\$19,591	\$19,093	\$13,933	\$7,569
Taxable Market Value	\$34,056	\$38,030	\$44,550	\$55,732	\$68,117
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$1,025	\$1,141	\$1,337	\$1,672	\$2,044
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$1,025	\$1,141	\$1,337	\$1,672	\$2,044
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>					
<b>Breaker Credit</b>	<b>\$552</b>	<b>\$577</b>	<b>\$619</b>	<b>\$682</b>	<b>\$734</b>
2009 Income (FAGI)	\$10,648	\$10,648	\$10,648	\$10,648	\$10,648
% of Income Paid Before CB	5.18%	5.42%	5.81%	6.41%	6.89%
Circuit Breaker (CB) Credit	\$0	\$257	\$300	\$363	\$415
<b>Final Property Tax</b>	<b>\$552</b>	<b>\$319</b>	<b>\$319</b>	<b>\$319</b>	<b>\$319</b>
% of Income Paid After CB	5.18%	3.00%	3.00%	3.00%	3.00%

Example of the Median (50th Percentile) Value Home, Income at the 10th Percentile Level for this Value Home					
MV Before Reappraisal	\$98,400				
MV After Reappraisal	\$156,100				
Tax Year	2008	2009	2010	2011	2012
Market Value (MV)	\$98,400	\$112,825	\$127,250	\$141,675	\$156,100
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$33,456	\$38,361	\$38,175	\$28,335	\$15,610
Taxable Market Value	\$64,944	\$74,465	\$89,075	\$113,340	\$140,490
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$1,955	\$2,234	\$2,672	\$3,400	\$4,215
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$1,955	\$2,234	\$2,672	\$3,400	\$4,215
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>					
<b>Breaker Credit</b>	<b>\$1,052</b>	<b>\$1,130</b>	<b>\$1,238</b>	<b>\$1,387</b>	<b>\$1,514</b>
2009 Income (FAGI)	\$15,578	\$15,578	\$15,578	\$15,578	\$15,578
% of Income Paid Before CB	6.75%	7.25%	7.94%	8.91%	9.72%
Circuit Breaker (CB) Credit	\$0	\$662	\$770	\$920	\$1,000
<b>Final Property Tax</b>	<b>\$1,052</b>	<b>\$467</b>	<b>\$467</b>	<b>\$467</b>	<b>\$514</b>
% of Income Paid After CB	6.75%	3.00%	3.00%	3.00%	3.30%

**Example of a Home at the 75th Percentile of Value,  
Income at the 10th Percentile Level for this Value Home**

MV Before Reappraisal	\$148,500				
MV After Reappraisal	\$237,300				
<b>Tax Year</b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>
Market Value (MV)	\$148,500	\$170,700	\$192,900	\$215,100	\$237,300
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$50,490	\$58,038	\$57,870	\$43,020	\$23,730
Taxable Market Value	\$98,010	\$112,662	\$135,030	\$172,080	\$213,570
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$2,950	\$3,380	\$4,051	\$5,162	\$6,407
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$2,950	\$3,380	\$4,051	\$5,162	\$6,407
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$1,588</b>	<b>\$1,709</b>	<b>\$1,876</b>	<b>\$2,106</b>	<b>\$2,301</b>
2009 Income (FAGI)	\$20,668	\$20,668	\$20,668	\$20,668	\$20,668
% of Income Paid Before CB	7.68%	8.27%	9.08%	10.19%	11.13%
Circuit Breaker (CB) Credit	\$0	\$1,000	\$1,000	\$1,000	\$1,000
<b>Final Property Tax</b>	<b>\$1,588</b>	<b>\$709</b>	<b>\$876</b>	<b>\$1,106</b>	<b>\$1,301</b>
% of Income Paid After CB	7.68%	3.43%	4.24%	5.35%	6.30%

**Example of a Home at the 90th Percentile of Value,  
Income at the 10th Percentile Level for this Value Home**

MV Before Reappraisal	\$217,600				
MV After Reappraisal	\$344,500				
<b>Tax Year</b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>
Market Value (MV)	\$217,600	\$249,325	\$281,050	\$312,775	\$344,500
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$73,984	\$84,771	\$84,315	\$62,555	\$34,450
Taxable Market Value	\$143,616	\$164,555	\$196,735	\$250,220	\$310,050
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$4,323	\$4,937	\$5,902	\$7,507	\$9,302
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$4,323	\$4,937	\$5,902	\$7,507	\$9,302
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$2,326</b>	<b>\$2,496</b>	<b>\$2,734</b>	<b>\$3,063</b>	<b>\$3,341</b>
2009 Income (FAGI)	\$20,242	\$20,242	\$20,242	\$20,242	\$20,242
% of Income Paid Before CB	11.49%	12.33%	13.50%	15.13%	16.50%
Circuit Breaker (CB) Credit	\$0	\$1,000	\$1,000	\$1,000	\$1,000
<b>Final Property Tax</b>	<b>\$2,326</b>	<b>\$1,496</b>	<b>\$1,734</b>	<b>\$2,063</b>	<b>\$2,341</b>
% of Income Paid After CB	11.49%	7.39%	8.56%	10.19%	11.56%

# Examples with Different Percent Changes in Value due to Reappraisal

The statistics below refer to the percent change in market value due to reappraisal. For example, the statistic below shows that 10% of properties had a change in market value of less than 6.5%. The example homes refer to the median home in the group of homes that had a change in market value of 6.5% or less.

10th Percentile	6.50%	75th Percentile	73.65%
25th Percentile	30.74%	90th Percentile	95.86%
50th Percentile	52.32%		

## The Median Home that Appreciated less than 6.50%, Median Income of Homeowners within Bracket

MV Before Reappraisal	\$15,670				
MV After Reappraisal	\$14,396				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$15,670	\$14,396	\$14,396	\$14,396	\$14,396
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$5,328	\$4,895	\$4,319	\$2,879	\$1,440
Taxable Market Value	\$10,342	\$9,502	\$10,077	\$11,517	\$12,957
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$311	\$285	\$302	\$346	\$389
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$311	\$285	\$302	\$346	\$389
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$168</b>	<b>\$144</b>	<b>\$140</b>	<b>\$141</b>	<b>\$140</b>
2009 Income (FAGI)	\$41,871	\$41,871	\$41,871	\$41,871	\$41,871
% of Income Paid Before CB	0.40%	0.34%	0.33%	0.34%	0.33%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	<b>\$168</b>	<b>\$144</b>	<b>\$140</b>	<b>\$141</b>	<b>\$140</b>
% of Income Paid After CB	0.40%	0.34%	0.33%	0.34%	0.33%

## The Median Home that Appreciated between 6.50% and 30.74%, Median Income of Homeowners within Bracket

MV Before Reappraisal	\$61,510				
MV After Reappraisal	\$73,700				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$61,510	\$64,558	\$67,605	\$70,653	\$73,700
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$20,913	\$21,950	\$20,282	\$14,131	\$7,370
Taxable Market Value	\$40,597	\$42,608	\$47,324	\$56,522	\$66,330
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$1,222	\$1,278	\$1,420	\$1,696	\$1,990
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$1,222	\$1,278	\$1,420	\$1,696	\$1,990
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$658</b>	<b>\$646</b>	<b>\$658</b>	<b>\$692</b>	<b>\$715</b>
2009 Income (FAGI)	\$48,422	\$48,422	\$48,422	\$48,422	\$48,422
% of Income Paid Before CB	1.36%	1.33%	1.36%	1.43%	1.48%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	<b>\$658</b>	<b>\$646</b>	<b>\$658</b>	<b>\$692</b>	<b>\$715</b>
% of Income Paid After CB	1.36%	1.33%	1.36%	1.43%	1.48%

## The Median Home that Appreciated between 30.74% and 52.32%, Median Income of Homeowners within Bracket

MV Before Reappraisal	\$117,900				
MV After Reappraisal	\$168,700				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$117,900	\$130,600	\$143,300	\$156,000	\$168,700
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$40,086	\$44,404	\$42,990	\$31,200	\$16,870
Taxable Market Value	\$77,814	\$86,196	\$100,310	\$124,800	\$151,830
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$2,342	\$2,586	\$3,009	\$3,744	\$4,555
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$2,342	\$2,586	\$3,009	\$3,744	\$4,555
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$1,261</b>	<b>\$1,308</b>	<b>\$1,394</b>	<b>\$1,528</b>	<b>\$1,636</b>
2009 Income (FAGI)	\$58,430	\$58,430	\$58,430	\$58,430	\$58,430
% of Income Paid Before CB	2.16%	2.24%	2.39%	2.61%	2.80%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	<b>\$1,261</b>	<b>\$1,308</b>	<b>\$1,394</b>	<b>\$1,528</b>	<b>\$1,636</b>
% of Income Paid After CB	2.16%	2.24%	2.39%	2.61%	2.80%

**The Median Home that Appreciated between 52.32% and 73.65%,  
Median Income of Homeowners within Bracket**

MV Before Reappraisal	\$113,000				
MV After Reappraisal	\$183,100				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$113,000	\$130,525	\$148,050	\$165,575	\$183,100
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$38,420	\$44,379	\$44,415	\$33,115	\$18,310
Taxable Market Value	\$74,580	\$86,147	\$103,635	\$132,460	\$164,790
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$2,245	\$2,584	\$3,109	\$3,974	\$4,944
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$2,245	\$2,584	\$3,109	\$3,974	\$4,944
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$1,208</b>	<b>\$1,307</b>	<b>\$1,440</b>	<b>\$1,621</b>	<b>\$1,776</b>
2009 Income (FAGI)	\$58,466	\$58,466	\$58,466	\$58,466	\$58,466
% of Income Paid Before CB	2.07%	2.24%	2.46%	2.77%	3.04%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$22
<b>Final Property Tax</b>	<b>\$1,208</b>	<b>\$1,307</b>	<b>\$1,440</b>	<b>\$1,621</b>	<b>\$1,754</b>
% of Income Paid After CB	2.07%	2.24%	2.46%	2.77%	3.00%

**The Median Home that Appreciated between 73.65% and 95.86%,  
Median Income of Homeowners within Bracket**

MV Before Reappraisal	\$102,677				
MV After Reappraisal	\$188,500				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$102,677	\$124,133	\$145,589	\$167,044	\$188,500
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$34,910	\$42,205	\$43,677	\$33,409	\$18,850
Taxable Market Value	\$67,767	\$81,928	\$101,912	\$133,635	\$169,650
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$2,040	\$2,458	\$3,057	\$4,009	\$5,090
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$2,040	\$2,458	\$3,057	\$4,009	\$5,090
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$1,098</b>	<b>\$1,243</b>	<b>\$1,416</b>	<b>\$1,636</b>	<b>\$1,828</b>
2009 Income (FAGI)	\$56,824	\$56,824	\$56,824	\$56,824	\$56,824
% of Income Paid Before CB	1.93%	2.19%	2.49%	2.88%	3.22%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$123
<b>Final Property Tax</b>	<b>\$1,098</b>	<b>\$1,243</b>	<b>\$1,416</b>	<b>\$1,636</b>	<b>\$1,705</b>
% of Income Paid After CB	1.93%	2.19%	2.49%	2.88%	3.00%

**The Median Home that Appreciated by Greater than 95.86%,  
Median Income of Homeowners within Bracket**

MV Before Reappraisal	\$91,000				
MV After Reappraisal	\$193,663				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$91,000	\$116,666	\$142,332	\$167,997	\$193,663
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$30,940	\$39,666	\$42,699	\$33,599	\$19,366
Taxable Market Value	\$60,060	\$76,999	\$99,632	\$134,398	\$174,297
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$1,808	\$2,310	\$2,989	\$4,032	\$5,229
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$1,808	\$2,310	\$2,989	\$4,032	\$5,229
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$973</b>	<b>\$1,168</b>	<b>\$1,384</b>	<b>\$1,645</b>	<b>\$1,878</b>
2009 Income (FAGI)	\$54,406	\$54,406	\$54,406	\$54,406	\$54,406
% of Income Paid Before CB	1.79%	2.15%	2.54%	3.02%	3.45%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$13	\$246
<b>Final Property Tax</b>	<b>\$973</b>	<b>\$1,168</b>	<b>\$1,384</b>	<b>\$1,632</b>	<b>\$1,632</b>
% of Income Paid After CB	1.79%	2.15%	2.54%	3.00%	3.00%



## Example of a Median Value Home in a Recreation County

MV Before Reappraisal	\$150,450				
MV After Reappraisal	\$326,600				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$150,450	\$194,488	\$238,525	\$282,563	\$326,600
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$51,153	\$66,126	\$71,558	\$56,513	\$32,660
Taxable Market Value	\$99,297	\$128,362	\$166,968	\$226,050	\$293,940
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$2,989	\$3,851	\$5,009	\$6,782	\$8,818
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$2,989	\$3,851	\$5,009	\$6,782	\$8,818
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$1,609</b>	<b>\$1,947</b>	<b>\$2,320</b>	<b>\$2,767</b>	<b>\$3,167</b>
2009 Income (FAGI)	\$59,297	\$59,297	\$59,297	\$59,297	\$59,297
% of Income Paid Before CB	2.71%	3.28%	3.91%	4.67%	5.34%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	<b>\$1,609</b>	<b>\$1,947</b>	<b>\$2,320</b>	<b>\$2,767</b>	<b>\$3,167</b>
% of Income Paid After CB	2.71%	3.28%	3.91%	4.67%	5.34%

## Example of a \$500,000 Home

MV Before Reappraisal	\$300,000				
MV After Reappraisal	\$500,000				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$300,000	\$350,000	\$400,000	\$450,000	\$500,000
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$102,000	\$119,000	\$120,000	\$90,000	\$50,000
Taxable Market Value	\$198,000	\$231,000	\$280,000	\$360,000	\$450,000
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$5,960	\$6,930	\$8,400	\$10,800	\$13,500
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$5,960	\$6,930	\$8,400	\$10,800	\$13,500
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$3,207</b>	<b>\$3,504</b>	<b>\$3,890</b>	<b>\$4,407</b>	<b>\$4,849</b>
2009 Income (FAGI)	\$200,547	\$200,547	\$200,547	\$200,547	\$200,547
% of Income Paid Before CB	1.60%	1.75%	1.94%	2.20%	2.42%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	<b>\$3,207</b>	<b>\$3,504</b>	<b>\$3,890</b>	<b>\$4,407</b>	<b>\$4,849</b>
% of Income Paid After CB	1.60%	1.75%	1.94%	2.20%	2.42%

## Example of a \$1,000,000 Home

MV Before Reappraisal	\$650,000				
MV After Reappraisal	\$1,000,000				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Market Value (MV)	\$650,000	\$737,500	\$825,000	\$912,500	\$1,000,000
Homestead	34.00%	34.00%	30.00%	20.00%	10.00%
Amount Exempt	\$221,000	\$250,750	\$247,500	\$182,500	\$100,000
Taxable Market Value	\$429,000	\$486,750	\$577,500	\$730,000	\$900,000
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Gross Taxable Value	\$12,913	\$14,603	\$17,325	\$21,900	\$27,000
Taxable Value Exemption	0%	0.0%	0.0%	0.0%	0.0%
Amount Exempt	\$0	\$0	\$0	\$0	\$0
Net Taxable Value	\$12,913	\$14,603	\$17,325	\$21,900	\$27,000
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability Before Circuit Breaker Credit</b>	<b>\$6,950</b>	<b>\$7,384</b>	<b>\$8,024</b>	<b>\$8,936</b>	<b>\$9,697</b>
2009 Income (FAGI)	\$477,527	\$477,527	\$477,527	\$477,527	\$477,527
% of Income Paid Before CB	1.46%	1.55%	1.68%	1.87%	2.03%
Circuit Breaker (CB) Credit	\$0	\$0	\$0	\$0	\$0
<b>Final Property Tax</b>	<b>\$6,950</b>	<b>\$7,384</b>	<b>\$8,024</b>	<b>\$8,936</b>	<b>\$9,697</b>
% of Income Paid After CB	1.46%	1.55%	1.68%	1.87%	2.03%

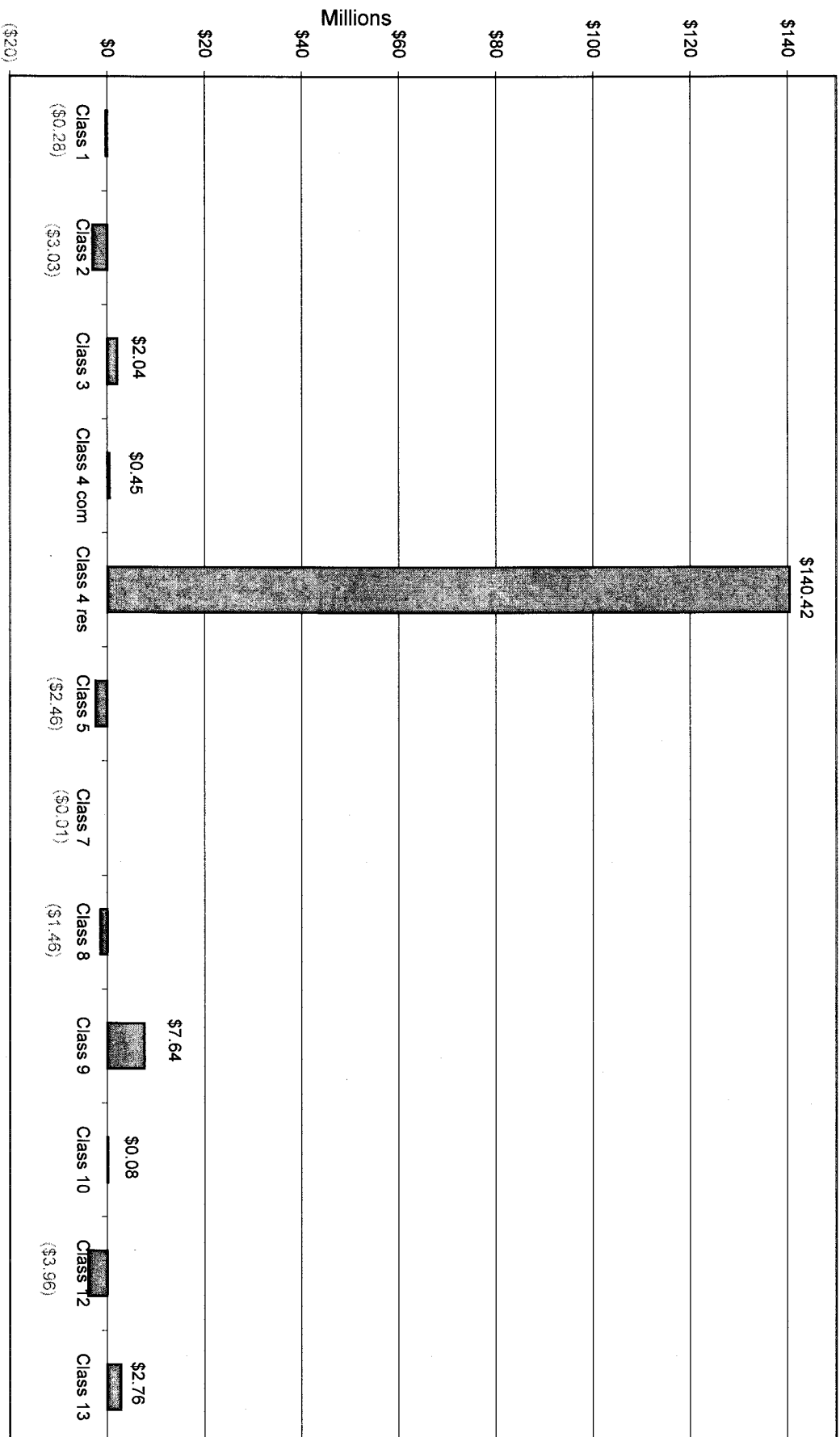
**Example of a Business with \$200,000 in Class 4 and \$100,000 in Class 8**

MV Before Reappraisal	\$150,000				
MV After Reappraisal	\$200,000				
MV of Class 8	\$100,000				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Class 4</b>					
Market Value (MV)	\$150,000	\$162,500	\$175,000	\$187,500	\$200,000
Comstead	15.00%	24.00%	18.00%	12.00%	6.00%
Amount Exempt	\$22,500	\$39,000	\$31,500	\$22,500	\$12,000
Taxable Market Value	\$127,500	\$123,500	\$143,500	\$165,000	\$188,000
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Taxable Value	\$3,838	\$3,705	\$4,305	\$4,950	\$5,640
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability</b>	<b>\$2,065</b>	<b>\$1,874</b>	<b>\$1,994</b>	<b>\$2,020</b>	<b>\$2,026</b>
<b>Class 8</b>					
Market Value	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Tax Rate	3.00%	3.00%	3.00%	3.00%	3.00%
Taxable Value	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
Tax Liability	\$1,615	\$1,517	\$1,389	\$1,224	\$1,077
<b>Total Tax Liability</b>	<b>\$3,680</b>	<b>\$3,391</b>	<b>\$3,383</b>	<b>\$3,244</b>	<b>\$3,103</b>

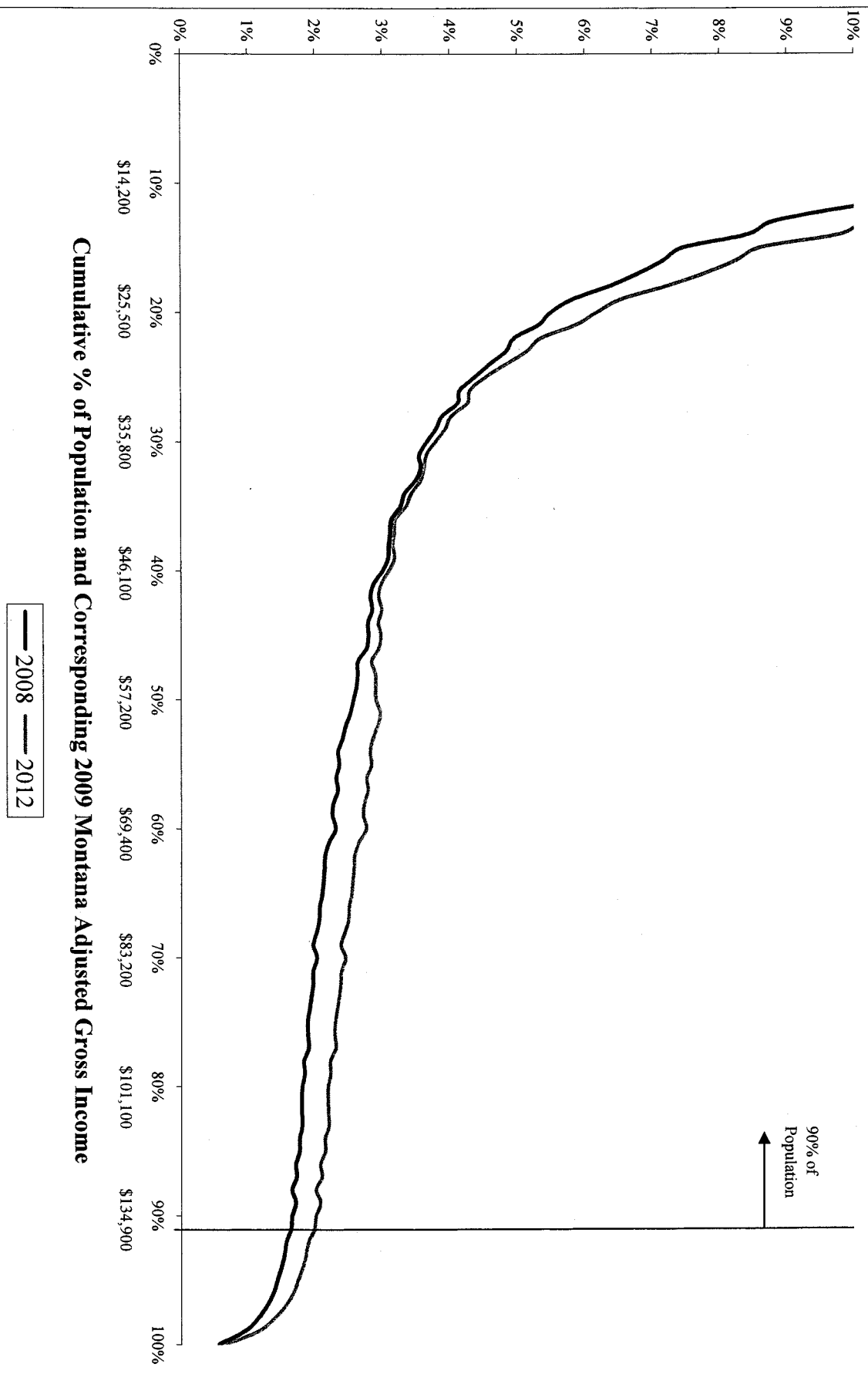
**Example of a Business with \$400,000 in Class 4 and \$100,000 in Class 8**

MV Before Reappraisal	\$300,000				
MV After Reappraisal	\$400,000				
MV of Class 8	\$100,000				
<b>Tax Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Class 4</b>					
Market Value (MV)	\$300,000	\$325,000	\$350,000	\$375,000	\$400,000
Comstead	15.00%	24.00%	18.00%	12.00%	6.00%
Amount Exempt	\$45,000	\$78,000	\$63,000	\$45,000	\$24,000
Taxable Market Value	\$255,000	\$247,000	\$287,000	\$330,000	\$376,000
Tax Rate	3.01%	3.00%	3.00%	3.00%	3.00%
Taxable Value	\$7,676	\$7,410	\$8,610	\$9,900	\$11,280
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
<b>Tax Liability</b>	<b>\$4,131</b>	<b>\$3,747</b>	<b>\$3,988</b>	<b>\$4,039</b>	<b>\$4,051</b>
<b>Class 8</b>					
Market Value	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Tax Rate	3.00%	3.00%	3.00%	3.00%	3.00%
Taxable Value	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Average Mills (Local & State)	538.19	505.68	463.15	408.02	359.16
Tax Liability	\$1,615	\$1,517	\$1,389	\$1,224	\$1,077
<b>Total Tax Liability</b>	<b>\$5,745</b>	<b>\$5,264</b>	<b>\$5,377</b>	<b>\$5,263</b>	<b>\$5,129</b>

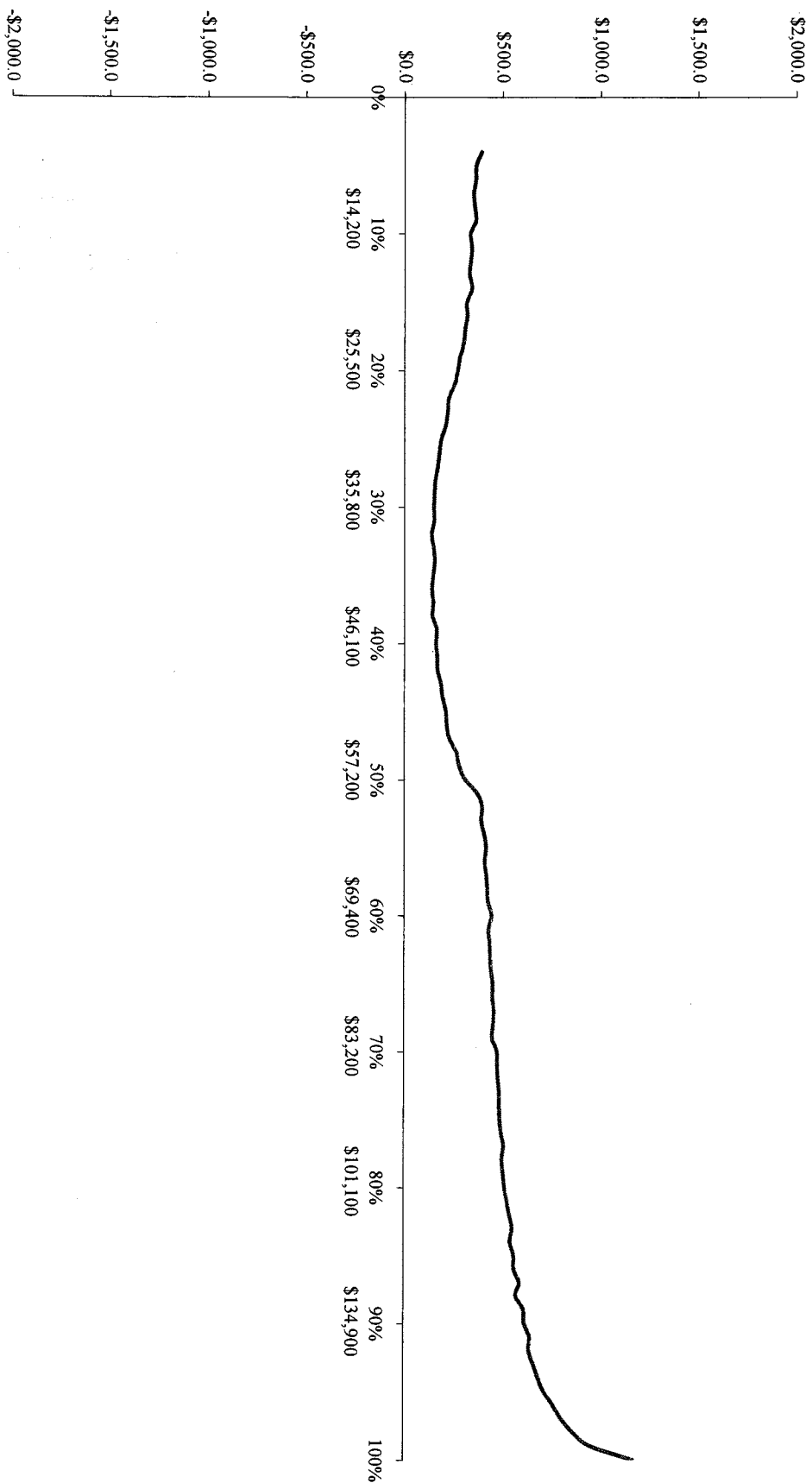
**HB666**  
**Difference in Property Taxes Paid by Property Tax Class Existing Properties TY2014**  
**6th Year Phase-In, Local and State Mills Subject to 15-10-420**



**Average HB 666 Property Taxes After Credit as a Percent of Income  
Households Who Claimed the \$400 Property Tax Rebate**



**Average HB666 Property Taxes after Credit, Difference from 2008  
Households Who Claimed the \$400 Property Tax Rebate**



**Cumulative % of Population and Corresponding 2009 Montana Adjusted Gross Income**

— 2012